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THOMAS F. MCFARLAND

August 6, 2012

By UPS overnight mail

Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024

FILED 232660
AUG 7 2012 232662
SURFACE
TRANSPORTATION BOARD

Re: Finance Docket No. 35658. *Mineral Range Inc -- Acquisition and Operation Exemption -- Rail Line of Lake Superior & Ishpeming Railroad Company between Landing Junction and Humboldt Junction, and Reinstitution of Rail Service over Railbanked Right-of-Way between Humboldt Junction and Humboldt, in Marquette County, MI*

Docket No. AB-68 (Sub-No. 4X), *Lake Superior & Ishpeming Railroad Company -- Abandonment Exemption -- in Marquette County, MI*

Dear Ms. Brown:

Hereby transmitted is the original and 10 copies of a Verified Notice Of Exemption Under 49 C.F.R. § 1150.31 And Petition For Partial Vacation Of Railbanking And Trail Use And Issuance Of Replacement NITU for filing with the Board in the above referenced matter.

Also enclosed is a check in the amount of \$2,050 for the filing fee.

FEE RECEIVED

Very truly yours,

AUG 7 2012

Thomas F. McFarland

**SURFACE
TRANSPORTATION BOARD**

Thomas F. McFarland
Attorney for Mineral Range, Inc

1447 10-063

cc Edward T. Lyons, Esq., *by UPS overnight mail*
Thomas J. Healey, Esq., *by UPS overnight mail*
Mr. Clinton Jones, *by e-mail to mineralrange@hotmail.com*
Paul Ladue, Esq., *by e-mail to paul.ladue@cn.ca*
Mr. Ronald A Olson - MDNR, *by first-class, U.S. mail*

**ENTERED
Office of Proceedings**

AUG 7 - 2012

**Part of
Public Record**

BEFORE THE
SURFACE TRANSPORTATION BOARD

MINERAL RANGE INC -- ACQUISITION)	
AND OPERATION EXEMPTION -- RAIL)	
LINE OF LAKE SUPERIOR &)	
ISHPEMING RAILROAD COMPANY)	
BETWEEN LANDING JUNCTION AND)	FINANCE DOCKET
HUMBOLDT JUNCTION, AND)	NO. 35658
REINSTITUTION OF RAIL SERVICE)	
OVER RAILBANKED RIGHT-OF-WAY)	
BETWEEN HUMBOLDT JUNCTION)	
AND HUMBOLDT, IN MARQUETTE)	
COUNTY, MI)	

FILED
AUG 7 - 2012
**SURFACE
TRANSPORTATION BOARD**

LAKE SUPERIOR & ISHPEMING)	DOCKET NO.
RAILROAD COMPANY --)	AB-68 (SUB-NO. 4X)
ABANDONMENT EXEMPTION -- IN)	
MARQUETTE COUNTY, MI)	

**VERIFIED NOTICE OF EXEMPTION UNDER 49 C.F.R. § 1150.31
AND
PETITION FOR PARTIAL VACATION
OF RAILBANKING AND TRAIL USE
AND ISSUANCE OF REPLACEMENT NOTIFICATION**

MINERAL RANGE INC
P.O. Box 577
Hancock, MI 49930

Applicant-Petitioner

FEE RECEIVED

AUG 7 2012

**SURFACE
TRANSPORTATION BOARD**

By: THOMAS F. McFARLAND
THOMAS F. McFARLAND, P.C.
208 South LaSalle Street, Suite 1890
Chicago, IL 60604-1112
(312) 236-0204
(312) 201-9695 (fax)
mcfarland@aol.com

Attorney for Applicant-Petitioner

**ENTERED
Office of Proceedings**

AUG 7 - 2012

**Part of
Public Record**

DATE FILED: August 7, 2012

BEFORE THE
SURFACE TRANSPORTATION BOARD

MINERAL RANGE INC -- ACQUISITION)	
AND OPERATION EXEMPTION -- RAIL)	
LINE OF LAKE SUPERIOR &)	
ISHPEMING RAILROAD COMPANY)	
BETWEEN LANDING JUNCTION AND)	FINANCE DOCKET
HUMBOLDT JUNCTION, AND)	NO. 35658
REINSTITUTION OF RAIL SERVICE)	
OVER RAILBANKED RIGHT-OF-WAY)	
BETWEEN HUMBOLDT JUNCTION)	
AND HUMBOLDT, IN MARQUETTE)	
COUNTY, MI)	

LAKE SUPERIOR & ISHPEMING)	DOCKET NO.
RAILROAD COMPANY --)	AB-68 (SUB-NO. 4X)
ABANDONMENT EXEMPTION -- IN)	
MARQUETTE COUNTY, MI)	

**VERIFIED NOTICE OF EXEMPTION UNDER 49 C.F.R. § 1150.31
AND
PETITION FOR PARTIAL VACATION
OF RAILBANKING AND TRAIL USE
AND ISSUANCE OF REPLACEMENT NITU**

In Finance Docket No. 35658, pursuant to 49 U.S.C. § 10502(a) and 49 C.F.R. § 1150.31 *et seq.*, MINERAL RANGE INC (MRI), a noncarrier, hereby provides notice of its class exemption from 49 U.S.C. § 10901 for:

- (1) its acquisition from Lake Superior & Ishpeming Railroad Company (LSI) and operation of a rail line between Milepost 73.60 at or near Landing Junction and Milepost 85.66 at or near Humboldt Junction, a distance of 12.06 miles, in Marquette County, MI (Segment 1); and

- (2) its reinstitution of rail service over a railbanked right-of-way between Milepost 85.66 at or near Humboldt Junction and Milepost 87.56 at or near Humboldt, a distance of 1.90 miles in Marquette County, MI (Segment 2).

In addition, in Docket No. AB-68 (Sub-No. 4X), pursuant to 49 C.F.R. §§ 1117.1 and 1152.29(d)(2), MRI hereby petitions for (a) partial vacation of railbanking and trail use of Segment 2 in order to enable reinstitution of rail service over that right-of-way and (b) issuance of an appropriate replacement NITU covering the remaining portion of the railbanked right-of-way subject to the interim trail use agreement between LSI and the Michigan Department of Natural Resources (MDNR) which is shaded in green in a diagram of the subject and related rail property that is attached to this pleading as Appendix 1.

Segment 1 is shaded in yellow and Segment 2 is shaded in blue in the diagram that is attached to this pleading as Appendix 1.

RELATED PRIOR PROCEEDING

On October 25, 2011, in Finance Docket No. 35560, *Mineral Range, Inc. -- Acq. & Oper. Exempt. -- Rail Line of Lake Superior & Ishpeming R. Co. between Landing Junction and Humboldt Junction, and Reinstitution of Rail Service over Railbanked Right-of-Way between Humboldt Junction and Humboldt, in Marquette County, MI*, and Docket No. AB-68 (Sub-No. 4X), *Lake Superior & Ishpeming R. Co. -- Aband. Exempt. -- in Marquette County, MI*, MRI filed a Notice of Exemption under 49 C.F.R. § 1150.31 and Petition for Partial Vacation of Railbanking and Trail Use seeking essentially the same relief that it seeks in the current proceeding.

By letter dated November 8, 2011, MRI sought leave to voluntarily withdraw that Notice of Exemption and Petition without prejudice to refile following resolution of underlying property and contractual issues.

In a decision served November 16, 2011 in those proceedings, the Board granted leave for MRI to voluntarily withdraw those pleadings without prejudice.

As will be explained, the underlying property and contractual issues that caused that voluntarily withdrawal have been resolved. The current proceedings involve a supplemented refile of the pleadings that were voluntarily withdrawn, together with an explanation of how those underlying issues have been resolved.

BACKGROUND

Rio Tinto, a leading international mining group, is investing approximately \$469 million on the Rio Tinto Eagle Mine Project to mine and process nickel and copper in the Upper Peninsula of Michigan. Nickel and copper extracted from Eagle Mine are to be transported by truck for processing at Humboldt Mill in Humboldt Township west of Ishpeming, MI. Attached to this pleading as Appendix 2 is a map that shows the locations of Eagle Mine and Humboldt Mill.

Rio Tinto has expressed a need for the nickel and copper concentrates produced at Humboldt Mill to be transported primarily by rail. MRI is responding to that need by means of the actions proposed in these proceedings.

THE SUBJECT AND RELATED RAIL PROPERTY

Reference should be made to the color-coded diagram that shows the subject and related rail property. (Appendix 1).

Shaded in pink on that diagram is a right-of-way approximately 0.75 miles in length extending between Humboldt Mill and the beginning of Segment 2 at Humboldt (Milepost 87.56). Rio Tinto is to construct private track on that right-of-way. MRI is to operate over that private track pursuant to an industrial track agreement. Board approval is not required for construction of, and operation over, that private track.

Segment 2 is shaded in blue on that diagram. Segment 2 is a 1.9-mile segment of an 8.9-mile rail line between Humboldt Junction (Milepost 85.6)^{1/} and Republic Mine (Milepost 94.5) MI that LSI was authorized to abandon in Docket No. AB-68 (Sub-No. 4X), *Lake Superior & Ishpeming R. Co. -- Aband. Exempt -- in Marquette County, MI*, decision served November 5, 2004. In a decision in that Docket served January 19, 2005, the Board issued a Notice of Interim Trail Use (NITU) authorizing LSI to negotiate with MDNR for railbanking and interim recreational trail use of the right-of-way of that rail line. After extension of that negotiating period, by letter dated December 14, 2005, MDNR notified the Board that it had entered into an agreement with LSI for railbanking and interim recreational trail use of that right-of-way. LSI removed the track materials from that right-of-way. That right-of-way continues to be railbanked and subject to an agreement for interim trail use between LSI and MDNR.

As the abandoning rail carrier, LSI has a right to reinstitute rail service over the 8.9-mile Humboldt Junction-Republic Mine right-of-way. LSI has not expressed an interest in reinstituting rail service over the 1.9-mile segment of that right-of-way here identified as Segment 2. By letter to LSI's parent company dated July 2, 2012, a copy of which is attached

^{1/} Humboldt Junction was referred to in that decision as located at Milepost 85.6. The correct location is Milepost 85.66.

hereto as part of Appendix 3, MDNR has agreed to work with Rio Tinto to replace and relocate the recreational trail located on Segment 2, and has further agreed that if LSI concurs in the proposal to restore rail service over that segment, LSI's obligations under the interim trail use agreement relating to Segment 2 will transfer to Rio Tinto. Accordingly, in reliance on the assurances contained in the letter from MDNR, by letter to MRI and the Board dated July 30, 2012, Appendix 3 hereto, LSI has expressly concurred in reinstitution of rail service over Segment 2 by MRI, subject to the condition that as part of the present proceeding MRI petition the Board to reopen the exemption proceeding in Docket No. AB-68 (Sub-No. 4X) and issue a replacement NITU covering the remaining portion of the right-of-way which is subject to the interim trail agreement (segment shaded in green in the diagram attached hereto as Appendix 1).

MRI is to replace the track materials and operate over Segment 2 in providing transportation for Rio Tinto.

Shaded in green on Appendix 1 is a segment of the Humboldt Junction-Republic Mine right-of-way south of Humboldt (Milepost 87.56) toward Republic Mine that would continue to be railbanked and used by MDNR as a recreational trail regardless of the outcome of the current proceedings.

Shaded in yellow on Appendix 1 is Segment 1, a 12.06-mile rail line between Humboldt Junction and Landing Junction, MI. Segment 1 is an active rail line owned by LSI over which Wisconsin Central, Ltd. (WC)^{2/} has trackage rights. LSI is to convey Segment 1 to MRI for operation in providing transportation for Rio Tinto. MRI is committed to honoring all terms of WC's trackage rights over Segment 1.

^{2/} WC is a wholly-owned subsidiary of Canadian National Railway Company.

Interchange of Rio Tinto traffic from MRI to WC is to take place on Track Nos. 5 and 6 in Ishpeming Yard. Those Yard Tracks are to be conveyed by LSI to MRI. LSI and CN own approximately 2,500 feet of track between Landing Junction and those Yard Tracks. LSI and WC have agreed to MRI's operation over that jointly-owned track solely for the purpose of interchange.

In summary, MRI is to transport traffic for Rio Tinto from Humboldt Mill to point of interchange with WC at Track Nos. 5 and 6 in Ishpeming Yard via Rio Tinto's private track (pink in Appendix 1), Segment 2 (blue in Appendix 1), and Segment 1 (yellow in Appendix 1).

**THE EXEMPTION AND PARTIAL VACATION OF
RAILBANKING AND TRAIL USE ARE WARRANTED**

MRI's acquisition and operation of Segment 1 are squarely within the class exemption for noncarrier acquisition and operation of rail lines. Such acquisition and operation will not have an adverse effect on WC because MRI is committed to honoring all terms of WC's trackage rights over Segment 1.

Reinstitution of rail service over Segment 2 is also covered by the class exemption. As the abandoning rail carrier, LSI has a right to reinstitute service over Segment 2. However, instead of exercising that right, LSI has concurred in MRI's reinstitution of rail service over that Segment, subject to the condition that, in connection with such restoration of rail service, MRI petition the Board to reopen the exemption proceeding in Docket No. AB-68 (Sub-No. 4X) and issue a replacement NITU covering the remaining portion of the right-of-way which is subject to the interim trail agreement (shaded in green in the diagram attached hereto as Appendix 1). Accordingly, MRI is an appropriate party to reinstitute rail service over Segment 2. *See Iowa*

Power - Const. Exempt. - Council Bluffs, Iowa, 8 I.C.C.2d 858, 866-867 (1990); *Georgia Great Southern Div. - Aband. & Discon. of Service*, 6 S.T.B. 902, 907 (2003); and *GNP Rly., Inc. - Acq. & Oper. Exempt. - Redmond Spur and Woodinville Subdivision*, 2011 STB LEXIS 283 at *11-12 (Finance Docket No. 35407, decision served June 15, 2011).

MRI's rehabilitation of Segment 2 by means of relaying track materials in the right-of-way of that Segment does not require Board authority because the authorized abandonment of Segment 2 was not consummated. That being the case, LSI would not have required Board authority or an exemption to relay track materials in Segment 2. Cf. *City of Detroit v. Canadian National Ry.*, 9 I.C.C.2d 1208, 1214-16 (1993); *aff'd Detroit Wayne County Port Auth v. ICC*, 59 F.3d 1314, 1316-17 (D.C. Cir. 1995). Neither does MRI require such authority or exemption as a result of having stepped into the shoes of LSI by acquiring and reinstituting rail service over Segment 2 with LSI's concurrence. *R.J. Corman Penn. Lines, Inc. -- Const. & Oper. Exempt -- in Clearfield County PA*, 2009 STB LEXIS 343 (STB Finance Docket No. 35116, decision served July 27, 2009).

MRI's Petition for Partial Vacation of Railbanking and Trail Use of Segment 2 and Issuance of Replacement NITU covering the remaining portion of the right-of-way which is subject to the interim trail use agreement should be granted. Railbanking and trail use of Segment 2 are not consistent with MRI's reinstitution of rail service over that Segment. Railbanking and interim trail use are subject to being cut off at any time as a result of reinstitution of rail service. *King County, WA - Acq. Exempt. - BNSF Railway Company*, 2009 STB LEXIS 462 at *7 (Finance Docket No. 35148, decision served September 18, 2009). MRI has been advised that MDNR does not object to partial vacation of railbanking and trail use of

Segment 2 because such trail use is being relocated to its satisfaction. The remaining portion of the right-of-way south of Humboldt (Milepost 87.56) toward Republic Mine will continue to be railbanked and used by MDNR as a recreational trail.

INFORMATION REQUIRED BY 49 C.F.R. § 1150.33

The following is furnished pursuant to 49 C.F.R. § 1150.33:

(a) The full name and address of applicant;

Applicant is Mineral Range Inc, P.O. Box 577, Hancock, MI 49930.

(b) The name, address, and telephone number of the representative of the applicant who should receive correspondence;

Applicant's representative who should receive correspondence is Thomas F. McFarland.

Thomas F. McFarland, P.C., 208 South LaSalle Street, #1890, Chicago, IL 60604-1112,
312-236-0204.

(c) A statement that an agreement has been reached or details about when an agreement will be reached;

An agreement has been reached for MRI's acquisition of Segment 1 from LSI and for operation of that Segment and for MRI's reinstitution of rail service over Segment 2.

(d) The operator of the property;

MRI will be the operator of the property.

(e) A brief summary of the proposed transaction, including:

(1) The name and address of the railroad transferring the subject property;

The railroad transferring the rail line is Lake Superior & Ishpeming Railroad Company, P.O. Box 2000, Ishpeming, MI 49849 (LSI)

(2) The proposed time schedule for consummation of the transaction;

The transaction will be consummated no earlier than thirty days after this Notice of Exemption is filed at the Board.

(3) *The mileposts of the subject property, including any branch lines; and*

Segments 1 and 2 extend between Milepost 73.60 at Landing Junction and Milepost 85.66 at Humboldt Junction. MI and between Milepost 85.66 at Humboldt Junction and Milepost 87.56 at Humboldt.

(4) *The total route miles being acquired;*

A total of 13.96 route miles is being acquired.

(f) *A map that clearly indicates the area to be served, including origins, termini, stations, cities, counties, and States, and*

The required map is attached as Appendix 1.

(g) *A certificate that applicant's projected revenues do not exceed those that would qualify it as Class III rail carrier.*

The required certification is attached as part of the Verification of Clinton Jones.

Appendix 4.

ENVIRONMENTAL AND HISTORIC CONSIDERATIONS

The proposed acquisition and operation do not require environmental or historic reporting or assessment. See 49 C.F.R. § 1105.6(c)(2)(i) and 49 C.F.R. § 1105.8(b)(1).

LABOR CONSIDERATIONS

Pursuant to 49 U.S.C. § 10901(c), labor protection requirements do not apply to this transaction.

REVENUES LESS THAN \$5 MILLION PER YEAR

The Verification of Clinton Jones (Appendix 4) includes a certification that the annual revenues of MRI as a result of the transactions covered by this pleading will not exceed \$5 million.

CAPTION SUMMARY

The caption summary required by 49 C.F.R. § 1150.34 is attached as Appendix 5.

VERIFICATION

The Verification of MRI President Clinton Jones is attached to this pleading as Appendix 4.

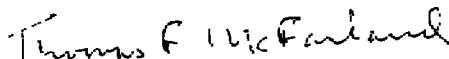
CONCLUSION AND REQUESTED RELIEF

WHEREFORE, within 16 days of the filing of this Notice, the Director of the Office of Proceedings should publish a notice in the *Federal Register* of the filing of this Notice. *See* 49 C.F.R. § 1150.32(b).

Respectfully submitted,

MINERAL RANGE INC
P.O. Box 577
Hancock, MI 49930

Applicant-Petitioner

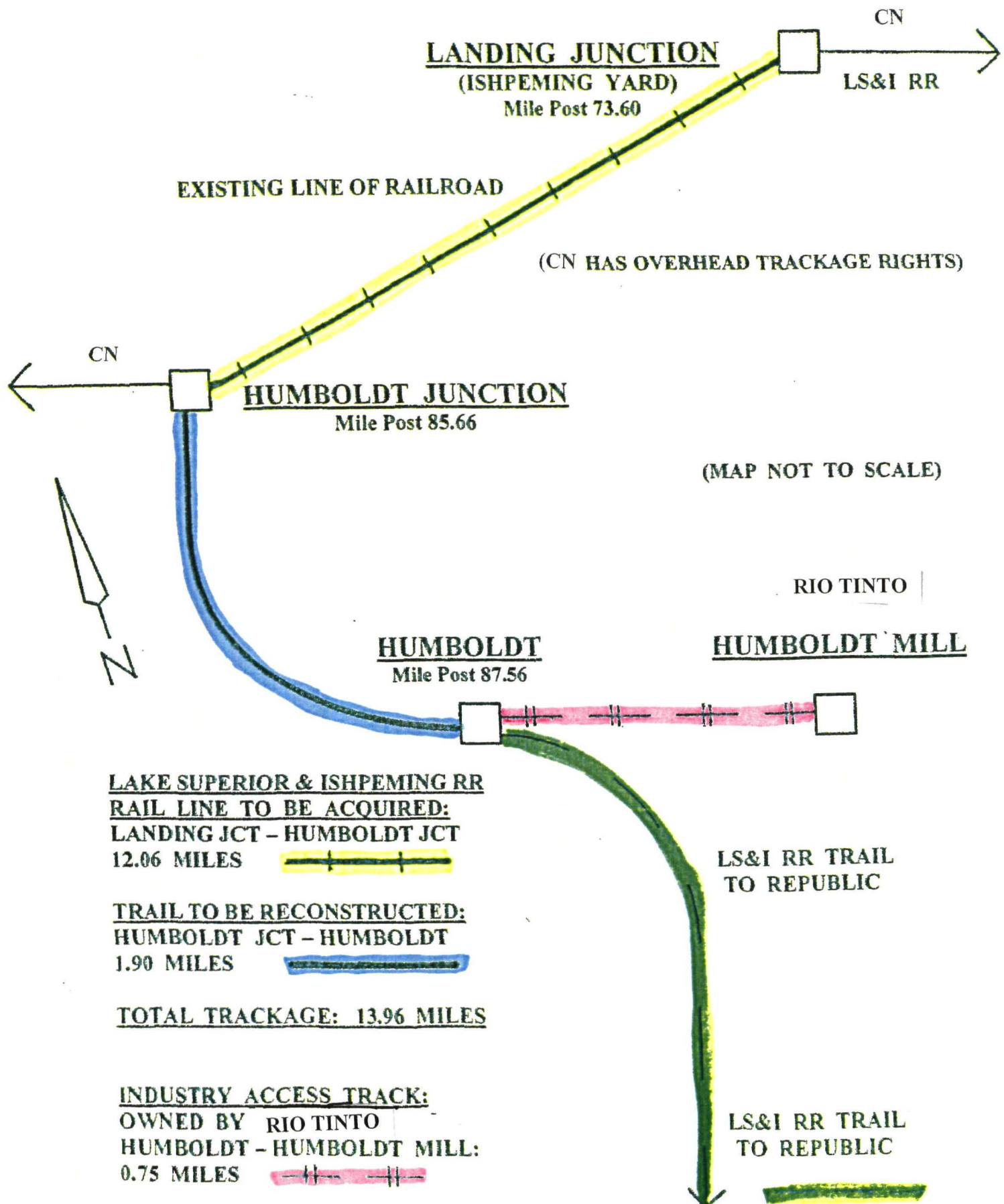


By: THOMAS F. McFARLAND
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mcfarland@aol.com

Attorney for Applicant-Petitioner

DATE FILED: August 7, 2012

MAP SHOWING ALL RAIL LINES
TO BE ACQUIRED OR RECONSTRUCTED BY APPLICANT
BETWEEN LANDING JUNCTION (ISHPEMING) AND HUMBOLDT, MI



EAGLE PROJECT

CLIFFS NATURAL RESOURCES INC.
A subsidiary of American Rail Road Company
P.O. Box 1000, Springfield, MA 01104-0000
Phone: 478-237-7900, 478-3497, 1-800-441-1111

**Ms. Cynthia T. Brown, Chief
Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
Washington, DC 20024**

July 30, 2012

Clinton Jones, Jr., President
Mineral Range, Inc.
P. O. Box 577
Hancock, MI 49930-0577

Letter of Concurrence

Re: Mineral Range, Inc.—Acquisition and Operation—Rail Line of Lake Superior & Ishpeming Railroad Company between Landing Junction and Humboldt Junction, and Restoration of Rail Service over the Railbanked Right-of-Way between Humboldt Junction and Humboldt, in Marquette County, Michigan

Docket No. AB-68 (Sub-No. 4X), Lake Superior & Ishpeming Railroad Company—Abandonment Exemption—in Marquette County, Michigan

Dear Ms. Brown:

This is to advise that in connection with the proposed Mineral Range, Inc. Acquisition and Operation of the Lake Superior & Ishpeming Railroad (LS&I) line of railroad between Landing Junction and Humboldt Junction. LS&I wishes to state its concurrence with the Mineral Range, Inc. proposal to both acquire and operate the existing LS&I rail line between Landing Junction and Humboldt Junction, and the Restoration of Rail Service by Mineral Range over a portion of LS&I's railbanked right-of-way between Humboldt Junction and Humboldt. LS&I concurs in these proceedings in reliance upon the representations of the Michigan Department of Natural Resources (MDNR) referred to in the next paragraph and subject to the condition specified below.

Pursuant to the Decision and Notice of Interim Trail Use or Abandonment, decided January 19, 2005, in Docket No. AB-68 (Sub-No. 4X), LS&I entered into an agreement with MDNR for railbanking and interim recreational trail use of LS&I's entire 8.9-mile line of railroad extending from Humboldt Junction (Milepost 85.6) to the end of track at Republic Mine (Milepost 94.5). Mineral Range proposes to restore rail service over only a portion of that line extending approximately 1.9 miles from Humboldt Jct. (Milepost 85.66) to Humboldt (Milepost 87.56) to serve facilities of Rio Tinto Eagle


(RTE). By letter to LS&I's parent company dated July 2, 2012, a copy of which is attached hereto as Exhibit "A," MDNR represents and agrees that it will work with RTE to replace and relocate the recreational trail that presently exists on this portion of the right-of-way, and further represents that, if LS&I concurs with the proposal to restore rail service, LS&I's obligations under the interim trail use agreement will transfer to RTE.

In reliance on the assurances contained in the attached letter from MDNR, LS&I concurs in Mineral Range's proposal to restore rail over the portion of the railbanked line extending approximately 1.9 miles from Humboldt Jct. (Milepost 85.66) to Humboldt (Milepost 87.56) to serve facilities of Rio Tinto Eagle (RTE), subject to the condition that, in connection with such restoration of rail service on a portion of the railbanked line, Mineral Range petition the Surface Transportation Board to reopen the exemption proceeding in Docket No. AB-68 (Sub-No. 4X) and issue a replacement NITU covering the remaining portion of the right-of-way which is subject to the interim trail use agreement.

LS&I also states its concurrence with the Mineral Range proposal to access Tracks no. 5 and no. 6 in the Ishpeming, Michigan Yard, a short distance from Landing Junction over yard trackage jointly owned by LS&I and CN. Mineral Range will be acquiring tracks nos. 5 and 6 from LS&I as a component of the proposed acquisition and operation and will require such operating rights from LS&I to provide for interchange of rail traffic in the Ishpeming yard. Mineral Range will separately negotiate with CN for its concurrence to granting such operating rights for interchange in the Ishpeming joint facility rail yard.

This concurrence of LS&I is submitted to the Board and Mineral Range to be made a part of the record of the proposed petition to be filed with the Board by Mineral Range.

Very truly,



James M. Kochevar
General Manager
Lake Superior & Ishpeming Railroad

cc: Kennecott Eagle Minerals Company

EXHIBIT A



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF NATURAL RESOURCES
LANSING



RODNEY A. STOKES
DIRECTOR

July 2, 2012

Mr. Dana W. Byrne, Vice President
Cliffs Natural Resources Inc.
200 Public Square, Suite 3300
Cleveland, Ohio 44114

Dear Mr. Byrne:

SUBJECT: Proposed Rail Reactivation from Humboldt Junction to Humboldt Mill in
Marquette County, Michigan

This letter is being sent at the request of a representative from Rio Tinto Eagle (RTE), with the understanding that RTE desires to reactivate approximately 1.8 miles of inactive railroad. The Lake Superior and Ishpeming Railroad (Cliffs Natural Resources) and the Michigan Department of Natural Resources (DNR) have an Interim Trail Use/Railbanking Agreement for this corridor.

The DNR agrees to work with RTE to replace and relocate the recreational trail that presently exists on the right-of-way (ROW). A continuous trail is to be maintained which will connect to the former Duluth South Shore and Atlantic Railway ROW going toward Ishpeming. When this new trail section is established, the DNR should have permanent rights to the land over which the trail traverses.

The DNR also agrees that if Cliffs Natural Resources (Cliffs) grants approval for RTE to pursue rail reactivation on the 1.8 miles of inactive rail through the Surface Transportation Board, Cliffs' obligations per the Interim Trail Use/Railbanking Agreement will transfer to RTE.

If you have questions or need additional information, please contact Mr. Roger Storm, Trailways Acquisition Specialist, at 517-335-3258; or at DNR-Finance and Operations Division, P.O. Box 30448, Lansing, Michigan 48909-7948.

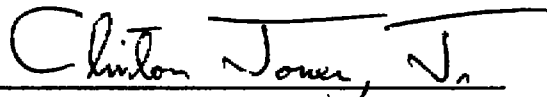
Sincerely,

Ronald A. Olson, State Trails Coordinator, and
Chief of DNR Parks and Recreation Division


cc: Mr. Denton Henkelman (via email: denton.henkelman@riotinto.com)
Mr. Mark Hoffman, Chief Administrative Officer, DNR
Dr. William E. Moritz, Natural Resources Deputy, DNR

VERIFICATION

CLINTON JONES, being duly sworn, states that he is President of Mineral Range, Inc. (MRI); that MRI's projected revenues do not exceed those that would qualify it as a Class III rail carrier; that the projected annual revenues of MRI to be created by the subject transactions do not exceed \$5 million; and that all factual assertions in the foregoing pleading are true and correct.


CLINTON JONES, JR.

SUBSCRIBED and SWORN to
before me this 30th day of
July, 2012.


Notary Public
Susan R. Schumacher
Houghton County, Michigan
My Commission Expires: 09/27/16
Acting in Houghton County

CAPTION SUMMARY

SURFACE TRANSPORTATION BOARD

**Verified Notice Of Exemption Under 49 C.F.R. § 1150.31
And Petition for Partial Vacation Of Railbanking And
Trail Use And Issuance Of Replacement NITU**

STB Finance Docket No.35658

*Mineral Range Inc -- Acquisition and Operation Exemption -- Rail Line
of Lake Superior & Ishpeming Railroad Company between Landing
Junction and Humboldt Junction. and Reinstitution of Rail Service
over Railbanked Right-of-Way between Humboldt Junction
and Humboldt, in Marquette County, MI*

STB Docket No. AB-68 (Sub-No. 4X)

*Lake Superior & Ishpeming Railroad Company
-- Abandonment Exemption --
in Marquette County, MI*

Mineral Range Inc (MRI), a noncarrier, has filed a Notice of Exemption to acquire from Lake Superior & Ishpeming Railroad Company (LSI) and to operate a rail line between Milepost 73.60 at Landing Junction and Milepost 85.66 at Humboldt Junction, a distance of 12.06 miles, and to reinstitute rail service over a railbanked right-of-way between Milepost 85.66 at Humboldt Junction and Milepost No. 87.56 at Humboldt, a distance of 1.90 miles, all in Marquette County, MI. LSI has concurred in MRI's reinstitution of rail service over that railbanked right-of-way. The transaction includes acquisition and operation of Yard Track Nos. 5 and 6 having lengths of 2,278 feet and 2,345 feet, respectively. MRI will operate over approximately 2,500 feet of rail line owned by LSI and Wisconsin Central, Ltd. (WC) between Landing Junction and Yard Track Nos. 5 and 6 solely for the purpose of interchange of traffic with WC. WC has trackage rights over the Landing Junction-Humboldt Junction rail line identified above. MRI has committed to honor those WC trackage rights.

MRI's Notice of Exemption is related to a Petition for Partial Vacation of NITU filed simultaneously by MRI whereby railbanking and trail use pursuant to an NITU granted to the Michigan Department of Natural Resources (MDNR) in Docket No. AB-68 (Sub-No. 4X), *Lake Superior & Ishpeming Railroad Company -- Aband. Exempt. -- in Marquette County, MI*, in decisions served January 19, 2005, August 23, 2005, and November 23, 2005, are requested to be partially vacated in order to permit rail service to be reinstituted between Milepost 85.66 at

Humboldt Junction and Milepost 87.56 at Humboldt, MI, a distance of 1.90 miles. The Petition includes a request that replacement NITU be issued for the remaining 8 miles of right-of-way.

The above rail lines to be acquired and operated total approximately 13.96 miles.

Comments must be filed with the Board and served on MRI's representative, Thomas F. McFarland, Thomas F. McFarland, P.C., 208 South LaSalle Street, Suite 1890, Chicago, IL 60604-1112, 312-236-0204.

The notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void *ab initio*. The filing of a petition to revoke will not automatically stay the transaction.

By the Board